

R-Ranch POA Board of Directors
Working Session
Minutes

Tuesday, 8/30/2022 5:30pm
Via Zoom Only

1. Due to issues with Zoom, meeting was called to Order at 5:50pm by Mark Osborne
2. Pledge of Allegiance was led by Mark Osborne
3. Mark Osborne referred everyone to the posted meeting ground rules
 - a. State your name each time you speak if your video is off, or when you make a motion.
 - b. Votes will be taken by asking each Board Member one at a time
 - c. Board members will abide by the meeting ground rules.
 - i. Board Members will come on time and prepared for the meeting.
 - ii. We will be polite, positive, and respectful.
 - iii. We will refrain from interrupting the speaker, making derogatory statements, or making accusatory remarks.
 - iv. We will listen to learn.
 - v. We will keep our comments concise and to the point.
 - vi. We will take turns in discussions, giving each board member a chance to speak on each round of comments.
 - vii. The Zoom admin has the duty to mute board members if they are speaking out of turn or failing to follow the ground rules.
4. Roll Call
 - Mark Osborne, President
 - Mark Grenbemer, 1st Vice President
 - Robert Tennes, 2nd Vice President
 - Don Fukushima, 3rd Vice President
 - Jason (Jay) Adams, 4th Vice President
 - Curtis Hancock, Treasurer
 - Emilie Simmons, Secretary

 - Heath Kauffman, General Manager

All Directors are present, quorum is established.
5. Mark Osborne made the motion to set the agenda as presented. Robert Tennes seconded the motion. Hearing no objections, agenda was set.
6. **Mark Osborne made the motion to approve the 8/8/22 Working Session Minutes as presented. Mark Grenbemer seconded the motion. Motion passed unanimously.**

7. Mark Osborne read the following into record: "In executive session on 8/8/2022, and with the advice of counsel, the Board agreed to form an executive committee consisting of six directors with authority to consider all issues related to a complaint."
8. Mark Grenbemer provided the Executive Session Report.
 - a. On 8/8/22 the Board formed an executive committee, as described in #7 of these minutes.
 - b. On 8/15/22 the Board discussed 2 owner disciplinary items, 2 contract negotiations, and 1 personnel matter in Executive Session.

9. Curtis Hancock read the following report regarding clarification received from Legal Counsel:

On August 17th, 2022, we received from R-Ranch Attorney, Cliff Stevens, an interpretation regarding use of the reserve account according to the governing documents of R-Ranch. The interpretation provided explains that the board is supposed to fund the reserves using a percentage of the assessment fee, and that the reserve account funds can only be used for the repair or replacement of the capital improvements of R-Ranch. We will be using this interpretation from now on to guide us in our work as a Board.

On August 29th, 2022, we received another clarification of our governing documents from R-Ranch Attorney, Cliff Stevens. The Board had the authority to accept a lump payment from the Cell Tower Lease, and that lump payment can be utilized for any purpose that the Board deems necessary in the continued operations of R-Ranch. We will be using this clarification to guide us as we determine how to meet the financial needs of the ranch this year and beyond.

Curtis also made a request that the next Board meeting have the R-Ranch finances as a main agenda item.

10. Emilie Simmons provided an update on the progress in setting up the Financial Committee. Owners were notified of the new committee and invited to join the committee via an email sent to all owners with email address on file, via the member portal of the Ranch website, and via the Official Facebook group for owners. So far, 4 owners have volunteered to serve on the committee. Emilie requested help with drafting the guidelines and expectations for the committee, as it is proving to be too big a job for her to do on her own. Mark Grenbemer offered to help create the draft. Emilie also asked for a Board Member to serve as Liaison for the Financial Committee. Curtis and Mark O. agreed to attend the first committee meeting as representatives of the Board. Discussion was held about the possibility of having staff on the committee, but former Board Member Pat Chase suggested that may be against the ranch by-laws and encouraged the Board to check into that. The first Financial Committee meeting should be held in

September, and the committee will be asked to introduce themselves and their financial background, and to select a Committee Chair.

11. General Manager Heath Kauffman provided the following updates about R-Ranch:
 - a. QuickBooks is up and running, with everything working well. More data entry needs to be done, but once that is complete, the office will move over to using QuickBooks Online.
 - b. The Grand Opening of the Pool Lodge will be Friday, September 2nd at 3pm. Heath has the keys, and they have started moving things in. Food will be provided, and the Employees will officially open the building for the Owners. The pool will be kept open this fall until it becomes too much of a financial burden to heat it, or when the weather turns and the pumps need to be winterized.
 - c. Heath and his team are working on developing the proposed budget for 2023.
 - d. Ranch staff will be enforcing the rule that Owners must show their ID card, and guests must show their wristbands in order to enter the Klamath Lodge for the closing Dinner and Dance this weekend.
 - e. Mark Osborne informed everyone that he had received an email from Ranch Attorney Cliff Stevens and that the ranch has prevailed in the appeal from the ongoing 2012 litigation. The case will now return to Siskiyou County, where the Ranch will take action to recoup litigation costs from those owners that brought the suit back in 2012.

12. **Emilie Simmons made the motion “to adopt the consent agenda format for Board meetings. A consent agenda may be presented by the president at the beginning of a meeting. Items may be removed from the consent agenda on the request of any one member. Items not removed may be adopted by general consent without debate. Removed items may be taken up either immediately after the consent agenda or placed later on the agenda at the discretion of the assembly.” Mark Osborne seconded the motion. Brief discussion was held. All were in favor; motion passed unanimously.**

Emilie Simmons presented a proposal for a policy and procedure to use to develop the agenda for each board meeting. Discussion was held. Robert Tennes suggested an edit. Proposal was edited during the meeting to be as follows:

**Policies and Procedures for Developing the Agenda
for the Board of R-Ranch Property Owners Association**

Purpose: To provide clear expectations and procedures for developing the agenda for each board meeting.

Procedure:

1. An Executive Committee consisting of the President, the Vice-President, and the Secretary shall meet, either virtually, physically, or by email, ideally no later than 1 week prior to the next working session of the Board, no later than 5 days prior to a Special Meeting of the Board, and ideally no later than 3 weeks prior to the next Quarterly Meeting or any meeting where Brown Book changes will be discussed. This Executive Committee shall set forth the agenda for the upcoming meeting, taking into consideration any items of unfinished business from the previous meeting, any requirements in our governing documents for meeting content, and the requests of the other members of the Board.
2. Board Members requesting the addition of an agenda item must do so no later than 5 days prior to a Special Meeting, no later than 8 days prior to a Working Session, and no later than 22 days prior to the next Quarterly Meeting or any meeting where Brown Book changes will be discussed.
3. Any proposals for the Board to consider should be submitted no later than 5 days prior to the meeting to allow adequate time for the Secretary to distribute the documents to all Directors, and to allow the Directors adequate time to review all information prior to the meeting. The Secretary will try to provide all Directors with all supporting documentation for their review at least 3 days prior to the Board Meeting.
4. Supporting documentation and all requests for agenda additions shall be emailed or otherwise delivered to the Secretary according to the timeframes specified above.
5. Every Director shall have an opportunity to request the addition of agenda items at the beginning of each board meeting, during the Agenda Item titled "Review and Set the Agenda". All such requests shall be made by Director motion, with the accompanying second, and if the majority vote in support for the addition of their request, the item will be added to the agenda for that meeting.

Policies:

1. To ensure that all Directors are afforded an equal opportunity to request items be added to the agenda, each Director shall only request one (1) agenda item in advance of each working session of the Board.
2. Any request from the General Manager for the addition of an agenda item will be given the highest priority.
3. At a minimum, the agenda should include: Call to Order, Roll Call, Review and Set the Agenda, Approval of Minutes, Reports, Business, Owner Comment Time, Set Date of Next Meeting, and Adjourn.
4. Ideally the agenda would include: Call to Order, Pledge of Allegiance, Roll Call, Review and Set the Agenda, Consent Agenda for approving minutes and other non-controversial items, Reports (Executive Sessions, General Manager,

Committees if applicable, Treasurer), Unfinished Business, New Business, Owner Comment Time, Announcements, Set Next Meeting Date, and Adjourn.

Emilie Simmons made the motion to adopt the Policies and Procedures for Developing the Agenda as revised during the meeting. Jason Adams seconded the motion. All were in favor; motion passed unanimously.

13. Mark Osborne gave each Director and the General Manager the opportunity to share their top 3-5 picks from the priority list, and why they chose them.
 - a. Mark Osborne:
 - i. Resolving the deficit for this year, must be done very soon.
 - ii. Marketing, needed to bring in more income.
 - iii. Complete overhaul of the Brown Book to avoid confusion.
 - b. Jason Adams:
 - i. Finances
 - ii. Marketing
 - iii. Fire Prevention (Heath stated that he talks to CalFire almost monthly.)
 - c. Heath Kauffman:
 - i. Finances, especially the budget and the reserves
 - ii. Insurance: just heard not good news. Due to our high fire risk area, and our recent fire damage claim, no one wants to insure us. The few quotes that have come in haven't been cheaper or better than what we have. We probably need to plan on the rate for insurance remaining the same.
 - iii. Brown Book completely revised to provide a clear set of simple rules. Re-do the whole thing, and give a copy to all owners.
 - d. Robert Tennies:
 - i. Finances, think about it in terms of a 1, 3, and 5 year plan.
 - ii. Improve the look and feel of the ranch,. Potential buyers don't like the feel of the place, so they don't buy in. Need to bring back the relaxed feel and camaraderie.
 - iii. Rebuild: we've got to make the ranch into what people want, it will help the ranch sell itself.
 - e. Mark Grenbemer:
 - i. Budget and Finances
 - ii. Strategic Plan. Development would help with growth, allocation of resources, tracking progress, and would address most all priorities.
 - f. Don Fukushima:
 - i. Budget and Finances
 - ii. Develop the Strategic Plan
 - iii. River Resource, and what can be offered as an amenity if the dam removal affects enjoyment.

- iv. Finish the lineshacks so owners have an easy place to stay when they visit.
- g. Emilie Simmons:
 - i. Resolve the deficit for this year.
 - ii. Get owner input for the rebuild.
 - iii. Marketing, including paid marketing, and more board support of marketing efforts.
 - iv. Have a committee overhaul the Brown Book.
 - v. Recruit more help for creating a New Owner Orientation.
- h. Curtis Hancock:
 - i. Set the budget and get the Finance Committee going. (Shared the observation that nearly every owner he runs into at the ranch expresses interest in getting to the bottom of the finances, but only 4 have actually stepped up to serve on the committee.)
 - ii. Decide what to do about insurance. We need 180 new shares just to offset the insurance cost.
 - iii. Being able to feel secure in speaking freely with other board members without fear of reprisals.

14. Discussion was held about using the R-Ranch domain for Board email. It is more secure than using personal email addresses, can be preserved in case of litigation, can be organized into folders, costs \$47 per year, can be customized email addresses, and can be archived at the end of a board member's term.

Mark Grenbemer motioned to have the Board use R-Ranch domain email address for board business, at the cost of \$47 per year per email address. Emilie Simmons seconded the motion. All were in favor; motion passed unanimously.

15. Discussion was held about posting the recordings of the Zoom board meetings in the member portal of the website. Pros: increases transparency, allows owners to watch at a time convenient to them, allows owners to review if they were having internet problems during the live stream, could be used to defend the Board in case of litigation. Cons: could be used in litigation against the board or ranch, would add to the workload of staff or a volunteer to get it posted, need to make sure participants are consenting to being recorded (everyone participating on Zoom has to do that to get into the meeting, but in-person participants would be another matter.) Ranch Legal Counsel advised that it might be in our best interest to not post the recordings. Board suggestions were to only post it for one week after the meeting date, or to only send the link to owners that actually ask for it. Jason Adams asked to have further discussion on this matter at a future meeting. Hearing no objections, Mark Osborne tabled this matter to the next meeting.

16. No owner comments were made during owner comment time.

Curtis Hancock thanked Robert and Judy Tennes for their hard work in getting the River House ready as a rental. As of this coming weekend, all expenses incurred in setting it up will be paid off, so every rental after that is generating positive income for R-Ranch.

7:40pm Director Don Fukushima left the meeting.

17. Discussion was held about holding a brainstorming session to collect owner ideas for how to proceed with the rebuild. The meeting should also include a re-cap of everything done so far, as well as a comparison of projected versus actual costs for the projects, and fundraising ideas that the owners provide. A meeting will tentatively be scheduled for sometime in November, and further discussion about this will be held at the next Board Meeting.
18. The next Board Working Session will be held on Wednesday, September 14th at 5:30pm via Zoom.
19. There being no further business before the board, and hearing no objection, Mark Osborne adjourned the meeting at 7:58pm.

**Approved by general consent of the Board on September 14th, 2022
Respectfully submitted by Emilie Simmons, Secretary**

Emilie Simmons